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FISCAL IMPACT STATEMENT

LS 6973

BILL NUMBER: HB 1274

NOTE PREPARED: May 17, 2007

BILL AMENDED: Apr 28, 2007

SUBJECT: Accident Report Fees.

FIRST AUTHOR: Rep. Herrell

FIRST SPONSOR: Sen. Bray

BILL STATUS: Enrolled

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: *Fee for Accident Reports-* The bill provides that the fee charged for an accident report must be not less than \$5 and not more than \$8. The bill provides that certain entities may not charge an accident report fee of more than \$5 unless the State Police Department (ISP) has certified that the entity has submitted accident reports to the central repository within 20 days of completion.

Accident Report Fee Analysis- The bill requires the Superintendent of the State Police Department to biennially produce a report analyzing the costs associated with operation of a vehicle crash records system as compared to the costs of having a private vendor operate a vehicle crash records system, and authorizes the Superintendent to use the rulemaking process to increase the fee if the report analyzing the costs associated with the vehicle crash records system demonstrates the need for a higher fee.

Accident Response Service Fees- The bill prohibits political subdivisions or local law enforcement agencies of political subdivisions from imposing or collecting an accident response service fee on or from the driver of a motor vehicle or any other person involved in a motor vehicle accident.

Exemption For Preexisting Contracts- The bill exempts certain preexisting contracts from the \$8 fee cap for a copy of an accident report.

Regulatory Flexibility Committee- The bill requires the Regulatory Flexibility Committee to study the revision of the Indiana statute governing enhanced wireless 911 systems to include Internet Protocol enabled services and other emerging technologies. The bill requires the Committee to report any recommendations resulting from its study to the Legislative Council not later than December 1, 2007.

Effective Date: Upon Passage; July 1, 2007.

Explanation of State Expenditures:

Explanation of State Revenues: *Fee for Accident Reports-* By limiting the accident report fee to \$8, the bill would reduce state revenues generated by a \$12 fee for accident reports via the Indiana State Police. Because the bill provides an exemption on the current accident report contract, state revenues would not be reduced under this provision until the contract expires sometime during 2010.

Accident Report Fee Analysis- The Indiana State Police would have to report and subsequently develop any necessary rule changes regarding the vehicle crash records system within the existing resources of the ISP.

Background: Accident reports are available through the Indiana State Police or its vendor for a fee of \$12 per report, or 100 reports for \$1,000. (Subscription fees are negotiated with the vendor.) The ISP receives 10% of all fees collected. Revenues from accident reports are placed in the state Accident Report Account to be expended by the State Police Superintendent for purposes related to the keeping of accident reports and records or the prevention of street and highway accidents.

The ISP contracted with a vendor to develop and maintain the statewide accident report data base in August 2006. Included in the contract is an exhibit with the fees that may be charged for individual reports and for bulk rates. Prior to the contract, the ISP sold the reports directly. On average between FY 2001 and FY 2006, annual revenues to the account were \$96,275, representing about 32,086 reports based on the prior \$3 fee. Based on this volume, assuming each report sells for \$12, the ISP would receive \$38,520 annually.

Actual Fees from Providing Accident Reports and Estimated Number of Reports Provided FY 2001 to FY 2006 (Assumes \$3 per report)						
Fiscal Year	2001	2002	2003	2004	2005	2006
Revenue (Actual)	\$107,931	\$99,477	\$89,153	\$102,039	\$90,268	\$88,673
No. of Reports (Est'd)*	35,977	33,159	29,718	34,013	30,089	29,558
*During the period shown in the table, state statute had a floor price of \$3. The floor was raised during the 2006 legislative session to \$5 which would have effect in FY 2007.						

The ISP reverted \$2.5 M to the state General Fund at the conclusion of FY 2006.

Explanation of Local Expenditures:

Explanation of Local Revenues: *Fee for Accident Reports-* Under the bill, the upper limit for a fee fixed by ordinance for accident reports would be established at \$8. Entities under contract would be exempt from the \$8 limit until the contract expires. (See *Explanation of State Revenues*). The average cost for a report was \$3 based on a review of CY 2001 revenues for 78 counties representing 92% of the state population. (Note: The minimum amount for an accident report was increased from \$3 to \$5 in 2006).

Under current law, the fee from an accident report supplied by a county office is placed in a local accident report account to be expended for a purpose related to the keeping of accident reports and records or the

prevention of street and highway accidents. The fee from a report supplied by a city or town is placed in the Local Law Enforcement Continuing Education Fund. On average, counties collect \$5,200 per year, based on a review of CY 2001 revenues for 78 counties representing 92% of the state population.

Information on report fees for city or town police was not available. Police departments in cities and towns in Indiana would also receive new money for these accident reports depending on how much they increase their report fees.

State Agencies Affected: Indiana State Police.

Local Agencies Affected: Political subdivisions; Local law enforcement agencies.

Information Sources: Indiana State Police; State Budget Agency: *FY2006 General and Rainy Day Fund Summaries*.

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